

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA**

Minute Entry

Hearing Information:

Debtor: RYAN JOSEPH & LESLEY MARIE PORTER
Case Number: 2:18-BK-01984-MCW **Chapter:** 11
Date / Time / Room: TUESDAY, APRIL 03, 2018 02:00 PM 7TH FLOOR #702
Bankruptcy Judge: MADELEINE C. WANSLEE
Courtroom Clerk: CHRISTINA JOHNSON
Reporter / ECR: MICHELLE RADICKE-STEVENSON

Matters:

- 1) CHAPTER 11 STATUS CONFERENCE
R / M #: 8 / 0
- 2) DEBTORS' APPLICATION TO EMPLOY COUNSEL AND U.S. TRUSTEE'S OBJECTION THERETO
R / M #: 21 / 0

Appearances:

JAMES F KAHN, ATTORNEY FOR RYAN JOSEPH PORTER, LESLEY MARIE PORTER
EDWARD K. BERNATAVICIUS, ATTORNEY FOR U.S. TRUSTEE

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(continue)... 2:18-BK-01984-MCW

TUESDAY, APRIL 03, 2018 02:00 PM

Proceedings:

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Mr. Kahn stated Mr. Porter is a dentist. Debtor had to sell his dental practice and has applied for payments under three disability policies. He discussed a pending state court litigation which involves debtor and his insurance company. Mr. Kahn noted the debtor has one viable business called Kangaroo Board, LLC that has created a product called the Joey Board, which has shown success. Mr. Kahn stated the monthly reports and fees are due soon and debtors are keeping current on their post-petition expenses. He stated the loan modification payments are being held in debtors' DIP account, which started post-petition. Mr. Kahn discussed pending litigation. He stated the plan and disclosure statement will be filed no later than August 1st and he noted the claims bar date has been established. Mr. Kahn advised the meeting of creditors was held today.

Mr. Bernatavicius stated the IDI was held and the meeting of creditors was this morning. He stated his concerns noting he has requesting additional accounting on funds that were used up prior to filing.

The court will set a hearing on debtors' forthcoming disclosure statement.

COURT: IT IS ORDERED DIRECTING THE DEBTOR TO FILE A DISCLOSURE ON OR BEFORE AUGUST 1, 2018. IT IS FURTHER ORDERED CONTINUING THIS HEARING TO SEPTEMBER 18, 2018 AT 10:00 AM. IF THE DISCLOSURE STATEMENT IS TIMELY FILED, THE STATUS CONFERENCE CAN BE CONVERTED TO A HEARING ON APPROVAL OF THE DISCLOSURE STATEMENT.

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Mr. Kahn stated his position noting the issue was regarding his designated non-refundable fee. He advised the parties have come to a stipulation to allow fees and allow him to apply to the court every 30 days. Mr. Kahn confirmed the retainer has been consumed. He stated his position as to the success fee issue.

Mr. Bernatavicius stated his position and discussed his concerns as to Mr. Kahn's retainer. He stated his position as to the success fee.

Mr. Kahn agreed the employment will be effective as of the date of the filing of the case.

COURT: THE COURT ADOPTS AND APPROVES THE PARTIES' STIPULATION AS REACHED IN OPEN COURT. MR. KAHN HAS RESERVED THE RIGHT TO SEEK A SUCCESS FEE AND THE U.S. TRUSTEE RESERVES THE RIGHT TO OBJECT TO THE SAME. MR. KAHN MAY UPLOAD A FORM OF ORDER.